

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Agreement with OPM and CIA

FROM:

EXTENSION

NO.

STAT

DATE

30 Oct 87

TO: (Officer designation, room number, and building)

DATE

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

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Attached is a copy of the latest draft of the MOU with OPM regarding the retirement administration. OPM is currently reviewing this draft.

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Agreement Between the
Office of Personnel Management
and the
Central Intelligence Agency

Purpose: The purpose of this memorandum is to formalize existing understandings between the Office of Personnel Management (OPM) and the Central Intelligence Agency (CIA) regarding the administration of the Civil Service Retirement System (CSRS) and the Federal Employees' Retirement System (FERS), as these systems apply to employees of the CIA.

Background: The FERS Act of 1986 contained provisions designed to improve security protection afforded CIA employee identities, intelligence sources, methods and activities. These provisions amended Title 5, United States Code, through addition of a new subsection 8347(n) and a new section 8461, applicable respectively to the administration of the CSRS and FERS.

Methodology: This agreement between the two Agencies will outline in general terms both Agencies' responsibilities, obligations, and duties. It will be supported by separate subordinate Memoranda of Understanding, which are consistent with the content and scope of this primary memorandum and which address such matters as operating relationships and financial management.

Authority to approve these subordinate memoranda may be delegated. No agreements with respect to retirement matters will be executed or entered into by the CIA without the approval or concurrence of CIA's Director of Personnel and/or his designee.

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A complete unclassified listing of each such supplementary memorandum will be filed with and noted on the record copies of this Memorandum of Understanding, and updated as necessary.

Discussion: This Memorandum reaffirms the understanding between CIA and OPM. To the extent permitted by law and not expressly excluded by this Memorandum or any subsequent Memoranda of Understanding, the Director of Central Intelligence Agency has elected to exercise the legislated authority, effective January 1, 1987, to administer all CSRS and FERS provisions and related functions and duties as they apply to all current and future CIA employees and those annuitant beneficiaries becoming eligible for such benefit payments on and after January 1, 1987.

CIA's current CSRS and FERS regulations, developed through consultation with OPM, specify the primary policies, authorities, responsibilities, and general procedures for the administration of CSRS and FERS functions applicable to employees and annuitant beneficiaries of the CIA. CIA will consult with OPM should circumstances require substantial revisions of existing CIA retirement regulations, procedures, or processes.

In a manner consistent with the Director of Central Intelligence's responsibility to protect identities, intelligence sources, methods, activities, and sensitive intelligence data from unauthorized disclosure, the CIA's policies and procedures for determining entitlements will be consistent with those of OPM in the administration of CSRS and FERS. If the CIA determines that it must depart in a substantial manner from OPM's policies

and procedures for determining retirement entitlements, the CIA will notify OPM of such a determination. Any such notification will be in a manner consistent with the DCI's responsibilities as outlined earlier in this paragraph.

Other Duties and Responsibilities: CIA will conduct periodic internal inspections and audits of CSRS and FERS retirement processing and disbursements. In a manner consistent with the Director of Central Intelligence's previously stated responsibility to protect identities, intelligence sources, methods, activities, and sensitive intelligence data, internal inspections and audit reports concerning disbursements from the Fund and entitlement determinations relating to such will be subject to review by OPM personnel who have appropriate program responsibilities and security clearances. Subject to the same conditions, such internal inspections may be supplemented by independent reviews of those disbursements and entitlement determinations conducted by OPM personnel. In the same manner, CIA program officials will comply with all reasonable audit recommendations.

In a manner consistent with the Director of Central Intelligence's responsibilities cited in the preceding paragraph, CIA will provide OPM with statistical reports on CSRS and FERS financial and administrative activities related to disbursements from the Fund. The content and frequency of reports will be described in the supplemental agreements.

To the extent provided for in Title 5, OPM will furnish such information and, on a reimbursable basis, such support services as may be requested by CIA to carry out its functions and duties with respect to administration of the CSRS and FERS for current and future Agency employees and those annuitant beneficiaries becoming eligible for retirement benefits. The information services and charges will be agreed upon by representatives of each Agency.

OPM will provide on request any retained prior Federal service records and related documents applicable to CIA employees.

OPM will effect disbursements of monies from the CSRS Fund to the CIA in reimbursement of expenditures, properly chargeable to the fund, incurred by CIA in the administration of CSRS and FERS. Documentation of expenses and payments will be described in the supplemental agreement on financial activities.

In the event that there is some significant change in circumstance and the Director of Central Intelligence Agency determines it is no longer appropriate to exercise the authority regarding specific retirement functions and duties enumerated in Title 5, U.S. Code, CIA will notify OPM of such intent and consult with OPM on the mechanisms and timing of the transfer of functions. Such notification and consultation will be in a manner consistent with the Director of Central Intelligence's responsibilities to protect identities, intelligence sources, methods, activities, and sensitive intelligence data.

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Changes: Modifications and revisions of existing operating procedures and the establishment of new procedures related to the administration of FERS and CSRS will be jointly developed and agreed to by appropriate officials of OPM and CIA as the need arises and to assure the currency and adequacy of such procedures. Major modifications and/or major new procedures should be reflected in the appropriate supplementary Memoranda of Understanding.

This Memorandum of Understanding will continue in effect until terminated by either Agency giving six months advance written notice. The advance notice may be waived in whole or in part only if agreed to in writing by both Agencies.

Approvals:

Approved for the Office of Personnel Management.

Director, Office of Personnel Management

Date

Approved for the Central Intelligence Agency

Director of Central Intelligence

Date